Houston Chronicle April 13, 2005

Trade-Off

Free trade comes at a price, but the proposed treaty with Central America seems worth it

Opponents of expanded trade with Central America point to the huge gap between the rich and the poor. They argue that U.S. workers, among the world's most productive, can't compete with low-wage workers in Central America.

While these are legitimate concerns, the problem does not lie with free trade, any more than U.S. poverty, social ills and environmental damage can be blamed on cheap imports from China. Furthermore, the poor working conditions in Central America exist today. Expanded trade would mean more jobs for the United States and its trading partners.

Under any treaty that changes the status quo, some people will fare better and others worse. Under terms of the proposed Central American Free Trade Agreement, the corn fructose industry and uneconomic U.S. sugar growers would face slight competition. However there is no logical reason for protecting domestic producers of this plentiful commodity, one of which Americans, if anything, consume too much.

For the second time, Congress is considering the proposed CAFTA treaty, signed by the United States, El Salvador, Guatemala, Nicaragua, Costa Rica and the Dominican Republic. CAFTA's leading proponent in the House, U.S. Rep. Kevin Brady, R-The Woodlands, is a principled conservative with Houston's interests at heart. Critics of free trade say the North American Free Trade Agreement has hurt Houston, but the city is more robust and vibrant now than ever.

Americans' concerns about poverty and pollution, at home and abroad, are well-founded. But maintaining tariffs on imports will relieve neither. About 80 percent of imports from Central America already enter the United States duty free. Ratification of CAFTA would increase access to foreign markets for U.S. companies and their employees.

Copyright 2005 Houston Chronicle